



THE UNITED STATES VIRGIN ISLANDS

OFFICE OF THE GOVERNOR
GOVERNMENT HOUSE

Charlotte Amalie, V.I. 00802
340-774-0001

August 29, 2013

Yvette T. Collazo
District Director, Puerto Rico & U.S. Virgin Islands
U.S. Small Business Administration
Puerto Rico District Office
273 Ponce de León Ave.
Plaza Scotiabank, Suite 510
San Juan, PR 00917

Dear Ms. Collazo:

Thank you for the continued support provided to small businesses in the U.S. Virgin Islands and the most recent announcement of a licensed Surety Bonding Agency that participates in SBA's Surety Bond Guaranty Program that will do business in our market. The construction industry is one of our most important sectors in fostering small business ownership and employment, and the access to bonding will only further the opportunities to the participants in this niche.

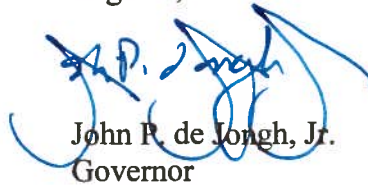
However, I remain concerned about the absence of meaningful commercial loan activity by our local banks, and especially in accessing the vehicles made available by the U.S. Small Business Administration. During the last twelve month period (July 2012 to July 2013), a total of \$677,000 was done versus \$435,000 for the prior year. These are dismal numbers.

I would like to have an opportunity to discuss with you how we can achieve in the U.S. Virgin Islands an execution of the strategic goals that you have set for our district: (i) increase in utilizing SBA as an option to spur activity; (ii) a more targeted outreach to certain communities; and (iii) education to our credit unions on what may be available to them (we have four credit unions); (iv) utilization of 504 (Certified Development Company) loans; and (v) embracing the nontraditional programs, such as innovation research. My Administration embraces all these initiatives, and we need the guidance of your office on how best implement them in our market.

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I look forward to hearing from you on how best to proceed in the best interest of our small businesses and the growth of our economy.

Regards,



John P. de Jongh, Jr.
Governor

pc: Carl C. Christensen, Senior Area Manager, U.S. Small Business Administration
Percival Clouden, Chief Executive Officer, V.I. Economic Development Authority
John D. McDonald, Director of Banking & Insurance, Office of the Lieutenant Governor
Leonor D. Dottin, State Director, SBDC, University of the Virgin Islands